

# PORT OF SEATTLE

## LEASE

THIS LEASE made as of December 14, 1976, by and between the PORT OF SEATTLE, a Washington municipal corporation as Lessor, hereinafter referred to as "the Port", and SHELL OIL COMPANY, a Delaware corporation, hereinafter referred to as "Lessee",

WITNESSETH:

In consideration of their mutual promises the parties hereto do hereby mutually agree as follows:

LEASED  
PREMISES

1. The Port hereby leases to Lessee, and Lessee hereby hires and leases from the Port, the following described premises situated in King County, State of Washington:

Approximately 548,149 square feet of land area at Port of Seattle Terminal 19, legally described on Exhibit "A" attached hereto and by reference made a part hereof, excluding all of the buildings, improvements and equipment now located on the Premises, which are and shall remain Lessee's property.

hereinafter called "the premises".

TERM, OPTION,  
AND  
TERMINATION  
RENT  
SEE ADDENDUM

2. This lease shall be for a term of one (1) years, beginning January 1, 1977, and ending December 31, 1977, then month-to-month thereafter until terminated by Lessee but in no event later than eighteen (18) months after issuance of all permit ~~dated 12-9-76~~ construction and use of the premises at Term. 20 area by lease ~~dated 12-9-76~~.

3. Lessee agrees to pay as rent for the premises the sum of \_\_\_\_\_ (\$ \_\_\_\_\_) per month. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term, and shall be payable at such place as the Port may hereinafter designate. Except to the extent, if any, expressly provided below, payment of rent shall not relieve Lessee and/or cargo from their respective obligations to pay all applicable Port tariff charges.

Rent is computed as follows:

(b) The rent stated in subparagraph (a) above shall be subject to renegotiation effective at the end of the \_\_\_\_\_ month following the commencement of this lease and every \_\_\_\_\_ months thereafter in the event that the Port gives to Lessee written notice of the Port's election to renegotiate the rent applicable to the forthcoming rent period not less than 180 nor more than 270 days prior to an effective date of the commencement of the rent period. In the absence of such notice, the rent applicable for the prior rent period shall apply to the forthcoming rent period also. Promptly following such a notice of renegotiation the parties shall negotiate in good faith for a renegotiated rent for the forthcoming rent period. Unless expressly provided to the contrary in another paragraph of this lease, such renegotiated rent shall be the fair

~~market rental value of the premises determined on a current basis or other appropriate basis customarily used for comparable properties) as compared with such rental value being obtained on other premises for similar use in the Greater Seattle area. The value of any improvements to the premises financed by Lessee at no cost to the Port shall be excluded in determining the fair market rental value of the premises. In the event that the parties cannot agree on the rent prior to sixty (60) days before the effective date for rent renegotiation, the rent shall be determined, according to the foregoing formula, by three arbitrators, each of whom shall be a member of either the Society of Industrial Realtors or of the Washington-British Columbia Chapter of the American Institute of Real Estate Appraisers and shall be experienced in the evaluation of the type of premises subject to this lease. Each party shall select and fully compensate one of these arbitrators, and the third arbitrator shall be selected by the other two and compensated in equal shares by the parties.~~

~~(c) Each monthly payment provided for in subparagraph (a) shall be accompanied by a written report in the form attached hereto as Exhibit \_\_\_\_\_ enumerating Lessee's activities in marine commerce during the second most recent calendar month. The Port will employ this report from Lessee in preparing statistical summaries for the benefit of the marine industry and the public in King County, Washington, only, and will not release Lessee's individual report to any other party.~~

BOND OR OTHER  
SECURITY

4. (a) Lessee shall, upon execution of this lease, file with the Port a good and sufficient corporate surety company bond, rental insurance policy, or other security (hereinafter referred to as the "Bond") in accordance with the requirements of the laws of the State of Washington to secure the full performance by Lessee of all terms and conditions of this lease, including the payment by Lessee of all amounts now or hereafter payable to the Port during the full term hereof. The form and provisions of the Bond, and the identity of the surety or insurer thereon, shall be subject to the approval of the Port. The amount of the Bond shall be based upon the rents payable hereunder and determined in accordance with the laws of the State of Washington, and shall be adjusted if required by said laws. If the amount of the Bond is not so adjusted, Lessee shall be considered in default hereunder, and subject to the Port's rights under subparagraph (c) of this paragraph and paragraph 20 "Defaults" below. No future amendment or extension to this lease shall be effective until the surety or insurer has given its consent thereto and the amount of the Bond has been adjusted as required. The Bond may provide for termination on the anniversary date thereof upon not less than one (1) year's written notice to the Port if the lease is not in default at the time of said notice. In the event of any such termination, Lessee shall obtain a new Bond, also subject to Port approval, to replace the Bond being so terminated to be effective on or before the date of termination.

(b) In the event of application by Lessee and acceptance by the rental insurer, Lessee may, as an alternative to obtaining a Bond by its own efforts as provided in subparagraph (a) above, elect to secure its full performance of the rental payment of this lease through participation in and subject to the terms and conditions of the Port's rental guarantee insurance program. In the event of such election by Lessee and acceptance of Lessee by the rental insurer, the rental insurance premium payable by Lessee shall be an added charge due and collected with rent payments. If Lessee shall fail to provide a Bond as provided in subparagraph (a) above within thirty (30) days after signing this lease or within thirty (30) days after the expiration of a prior Bond, Lessee hereby expressly authorizes the Port to seek to place this lease on the Port's rental guarantee plan and agrees to pay the premium due thereon in addition to all other payments due under this lease in the event the rental insurer accepts this lease.

(c) Until such time as Lessee furnishes the Bond in accordance with the provisions of subparagraph (a) above or Lessee in the alternative fully qualifies for rental insurance under the provisions of subparagraph (b) above relating to the Port's rental guarantee insurance program, and in the event Lessee at any time or times during the stated term of this lease shall cease to be in compliance with the provisions of this paragraph 4, the Port at its sole option may elect to exercise any or all of its rights under paragraph 20 "Defaults" below following fifteen (15) days' prior written notice to Lessee. Pending Lessee's cure of its default or the effective date of any termination for default so elected by the Port, Lessee shall pay rent and all other sums owing to the Port under this lease computed as though this lease had been originally awarded on a month-to-month basis.

(d) It is further agreed that in the event the laws of the State of Washington applicable hereto shall hereafter be amended, the provisions of this entire paragraph 4 shall be deemed likewise automatically amended upon the effective date of such statutory amendments, to the extent and in a manner necessary to comply therewith. In the event such statutory amendments make it prohibitive for Lessee's continued occupancy of and the operation of Lessee's business on the premises, then Lessee shall have the right to terminate this lease by giving the Port at least thirty (30) days' advance written notice.

5. Lessee shall use the premises for storage and distribution of petroleum products which shall not be unreasonably withheld. and shall not use them for any other purpose without the written consent of the Port. Lessee shall use the entire premises for the conduct of said business in a first-class manner continuously during the entire term of this lease, with the exception of temporary closures for such periods as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's reasonable control. Lessee agrees that it will not disturb the Port or any other tenant of the Port by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the premises. Lessee shall comply with any and all signs affixed by the Port in the premises at the commencement of the term of this lease relative to maximum floor loadings.

UTILITIES

6. Lessee shall be liable for, and shall pay throughout the term of this lease, all charges for all utility services furnished to the premises, including, but not limited to, light, heat, electricity, gas, water, sewerage, garbage disposal and janitorial services. In the event that the premises are part of a building or are part of any larger premises to which any utility services are furnished on a common basis, Lessee shall pay to the Port for its proportionate share of the cost of any such utility services. Lessee's proportionate share of any such services may be computed by the Port on any reasonable basis, and Lessee shall pay the same to the Port on or before the date of payment of such bill as is required.

ACCEPTANCE  
OF PREMISES

7. Lessee has examined the premises, accepts them in their present condition, and agrees to make any changes in the premises necessary to conform to federal, state and local law applicable to Lessee's use of the premises.

MAINTENANCE,  
~~REPAIR AND~~  
REMOVAL

(See Addendum)

8. ~~At the expiration or sooner termination of this lease, Lessee shall return the premises to the Port in the same condition in which received (or, if altered by Lessee with the Port's consent, then the premises shall be returned in such altered condition), reasonable wear and tear and damage by fire or unavoidable casualty excepted. Lessee shall, at its own expense, at all times keep the premises, and the adjoining roadways and sidewalks, neat, clean and in a safe and sanitary condition, free from infestation of pests and conditions which might result in harborage for, or infestation of, pests. (The word "pests", as used herein, shall include, without limitation, rodents, insects and birds in numbers to the extent that a nuisance is created.) Lessee shall also keep the glass of all windows and doors on the premises clean and presentable, and shall maintain and keep the premises in a good state of repair, and shall commit no waste of any kind, and, without limiting the generalities thereof, shall replace all cracked or broken glass in the premises, and keep the electrical system and the sprinkler system and all drains clean and in a good state of repair, and shall protect the sprinkler system and all pipes and drains so that they will not freeze or become clogged: Provided, that Lessee's said obligation to make all necessary repairs shall not extend to any repairs to the roof (structure or covering) or to the foundations of the building or structure (but expressly excluding from the term "foundations" all flooring and decking, whether structural or finish) of which the premises are a part, or to any repairs to any bearing columns or bearing walls or to the exterior walls of the building or structure that may be necessary to maintain the structural soundness of those columns or walls, except to the extent that any of the repairs described in this proviso may be required as a result of damage caused by negligence of Lessee or its agents, employees, invitees or licensees. Lessee shall remove all snow and ice from the sidewalk in front of the premises and shall remove all snow and ice from the roof thereof.~~

(except as may be required under paragraph 7 and to maintain continuity of Lessee's present use)

ALTERATIONS  
AND  
IMPROVEMENTS

9. Lessee shall make no alterations or improvements to or upon the premises or install any fixtures (other than trade fixtures which can be removed without injury to the premises) without first obtaining written approval from the General Manager of the Port and subject to any and all conditions in such approval. ~~In the event any alterations or improvements shall be made or fixtures (other than trade fixtures which can be removed without injury to the premises) installed by Lessee, they shall at once become a part of the realty and become the property of the Port. Movable furniture and trade fixtures which are removable without injury to the premises shall be and remain the property of Lessee.~~ which shall not be unreasonably withheld.

INSPECTION  
"FOR RENT"  
SIGNS

10. The Port reserves the right to inspect the premises at any and all reasonable times throughout the term of this lease: Provided, that the Port shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the premises, and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For Rent" signs in conspicuous places on the premises for thirty (30) days prior to the expiration or sooner termination of this lease.

OUTSIDE  
AREAS AND  
ROOF

11. ~~The use of the outside area of the walls (extending to the front of the premises) and the roof of the building in which the premises are located is reserved to the Port, which shall have the right to utilize the same for any purpose, including the maintenance of signs.~~

POSSESSION

12. If the Port shall be unable for any reason to deliver possession of the premises, or any portion thereof, at the time of the commencement of the term of this lease, the Port shall not be liable for any damage caused thereby to Lessee, nor shall this lease thereby become void or voidable, nor shall the term specified herein be in any way extended, but in such event Lessee shall not be liable for any rent until such time as the Port can deliver possession. If Lessee shall, in the interim, take possession of any portion of the premises, Lessee shall pay as rent the full rent specified herein reduced pro rata for the portion of the premises not available for possession by Lessee. If the Port shall be unable to deliver possession of the premises at the commencement of the term of this lease, Lessee shall have the option to terminate this lease by at least thirty (30) days' written notice, unless the Port shall deliver possession of the premises prior to the effective date of termination specified in such notice. If Lessee shall, with the Port's consent, take possession of all or any part of the premises prior to the commencement of the term of this lease, all of the terms and conditions of this lease shall immediately become applicable, with the exception that Lessee shall not be obligated to pay any rent for the period prior to the commencement of the term of this lease unless otherwise mutually agreed.

DAMAGE OR  
DESTRUCTION  
(See Addendum)

13. (a) ~~Should the premises or the buildings or structures of which the premises are a part be damaged by fire or other casualty, and if the damage is repairable within four (4) weeks from the date of the occurrence (with the repair work and the preparations therefor to be done during regular working hours on regular work days), the premises shall be repaired with due diligence by the Port, and in the meantime the monthly minimum rent shall be abated in the same proportion that the untenable portion of the premises bears to the whole thereof, for the period from the occurrence of the damage to the completion of the repairs.~~

(b) ~~Should the premises or any buildings or structures of which the premises are a part be completely destroyed by fire or other casualty, or should they be damaged to such an extent that the damage cannot be repaired within four (4) weeks of the occurrence, the Port shall have the option to terminate this lease on thirty (30) days' notice, effective as of any date not more than sixty (60) days after the occurrence. In the event that this paragraph shall become applicable, the Port shall advise Lessee within thirty (30) days after the happening of any such damage whether the Port~~

~~has elected to continue the lease in effect or to terminate it. If the Port shall elect to continue this lease in effect, it shall commence and prosecute with due diligence any work necessary to restore or repair the premises. If the Port shall fail to notify Lessee of its election within said thirty (30) day period, the Port shall be deemed to have elected to terminate this lease, and the lease shall automatically terminate sixty (60) days after the occurrence of the damage. For the period from the occurrence of any damage to the premises to the date of completion of the repairs to the premises (or to the date of termination of the lease if the Port shall elect not to restore the premises), the monthly minimum rent shall be abated in the same proportion as the untenable portion of the premises bears to the whole thereof.~~

INDEMNIFICATION -  
LIABILITY  
INSURANCE

14. The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property regardless of how such injury or damage be caused, sustained or alleged to have been sustained by Lessee or by others as a result of any condition (including existing or future defects in the premises) or occurrence (including failure or interruption of utility service) whatsoever related in any way to the premises and the areas adjacent thereto or related in any way to Lessee's use or occupancy of the premises and of the areas adjacent thereto. Lessee agrees to defend and to hold and save the Port harmless from all liability or expense (including expense of litigation) in connection with any such items of actual or alleged injury or damage. In addition, Lessee shall, at its own expense, maintain proper liability insurance with a reputable insurance company or companies satisfactory to the Port in the minimum limits of \$250,000 (per person) and \$500,000 (per accident or occurrence) for bodily injuries and death, and in the minimum limit of \$250,000 (per accident) for property damage, and hereafter in such increased amounts as the parties may from time to time mutually agree upon, to indemnify both the Port and Lessee against any such liability or expense. The Port shall be named as additional insured, and shall be furnished with appropriate evidence to establish (1) that Lessee's insurance obligations as herein provided have been met, and (2) that the insurance policy or policies as herein required are not subject to cancellation without at least ninety (90) days' advance written notice to the Port. Lessee shall furnish to the Port from time to time evidence of renewal of insurance as required.

WAIVER OF  
SUBROGATION

15. The Port and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under the respective fire insurance contracts, including any extended coverage endorsements thereto: Provided, that this paragraph 15 shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of Port or Lessee.

INCREASE IN  
COST OF  
INSURANCE

16. ~~Lessee shall not use the premises in such a manner as to increase the existing rates of insurance applicable to the buildings or structures of which the premises are a part. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port with respect to the buildings or structures of which the premises are a part, and to the extent allocable to the term of this lease, may be added to the amount of rent hereinabove specified and shall be paid by Lessee to the Port upon the monthly rental day next thereafter occurring.~~

TAXES  
(See Addendum)

17. ~~Lessee shall be liable for, and shall pay, throughout the term of this lease, all license and excise fees and occupation taxes covering the business conducted on the premises and all taxes on property of Lessee on the premises and any taxes on the leasehold interest created by this lease, whether imposed on Lessee or on the Port. Lessee shall also pay, or reimburse the Port for, all taxes, other than any net income taxes payable by the Port, including ad valorem taxes or taxes levied in lieu of an ad valorem tax or tax on the leasehold interest created by this lease and/or measured by the rent payments hereunder. With respect to any such taxes payable by the Port which are measured by the rent payments hereunder, Lessee shall pay to the Port with each rent payment an amount equal to the tax on, or measured by, that particular payment. All other tax amounts for which the Port is or will be entitled to reimbursement from Lessee shall be payable by Lessee to the Port at least fifteen (15) days prior to the due dates of the respective tax amounts involved: Provided, that Lessee shall be entitled to a minimum of ten (10) days' written notice of the amounts payable by it.~~

COMPLIANCE  
WITH PORT  
REGULATIONS  
AND WITH  
ALL LAWS  
(See Addendum)

18. ~~Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the building or other realty of which the premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public. Lessee further agrees to comply with all applicable federal, state, and municipal laws, ordinances, and regulations, including without limitation those relating to environmental matters. Any fees for any inspection of the premises during or for the lease term by any federal, state or municipal officer and the fees for any so called "Certificate of Occupancy" shall be paid by Lessee.~~

ASSIGNMENT  
OR SUBLEASE  
(See Addendum)

19. ~~Lessee shall not assign or transfer this lease or any interest therein nor sublet the whole or any part of the premises, nor shall this lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this lease or to members of their immediate families, such change in the ownership of the stock of Lessee shall be deemed an assignment of this lease within the meaning of this paragraph. If the Port shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent. Notwithstanding anything to the contrary herein, this provision shall no~~

prevent the assignment of this lease by Lessee to its successor in interest in the event that Lessee should sell and/or convey all of its property and business in the State of Washington.

DEFAULTS

20. Time is of the essence of this agreement. Lessee shall pay interest monthly at the annual rate of twelve percent (12%), or the maximum rate permitted from time to time by applicable law, whichever is less, on all sums owing to the Port under this lease, commencing thirty (30) days after the date each sum is due and payable. In the event of the fail-

TERMINATION of  
Existing Lease  
(See Addendum)

TERMINATION  
FOR GOVERN-  
MENT USE

TERMINATION  
BECAUSE OF  
COURT DECREE

SIGNS  
(See Addendum)

## INSOLVENCY

NONWAIVER

PROMOTION  
OF PORT  
COMMERCE

-5-

**SURRENDER  
OF PREMISES —  
ATTORNEYS' FEES**

28. At the expiration or sooner termination of this lease, Lessee shall promptly surrender possession of the premises to the Port, and shall deliver to the Port all keys that it may have to any and all parts of the premises. In the event that either party shall be required to bring any action to enforce any of the provisions of this lease, or shall be required to defend any action brought by the other party with respect to this lease, and in the further event that one party shall entirely prevail in such action, the losing party shall, in addition to all other payments required therein, pay all of the prevailing party's actual costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorneys' fees in the trial court and in any appellate courts.

**HOLDING OVER**

29. If Lessee shall, with the consent of the Port, hold over after the expiration or sooner termination of the term of this lease, the resulting tenancy shall, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. During such month-to-month tenancy, Lessee shall pay to the Port the same rate of rent as set forth herein, unless a different rate shall be agreed upon, and shall be bound by all of the additional provisions of this lease insofar as they may be pertinent.

**ADVANCES  
BY PORT  
FOR LESSEE**

30. If Lessee shall fail to do anything required to be done by it under the terms of this lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.

**LIENS AND  
ENCUMBRANCES**

31. Lessee shall keep the premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item which would or might constitute the basis for such a lien on the premises if not paid.

**NOTICES**

32. All notices and payments hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

To Lessor:

The Port of Seattle  
P. O. Box 1209  
Seattle, Washington 98111

To Lessee:

SHELL OIL COMPANY  
P. O. Box 3947  
Seattle, WA 98124

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices and payments sent by certified or registered mail and subsequently received by the Port shall be deemed to have been given when and if properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

**JOINT AND  
SEVERAL LIABILITY**

33. Each and every party who signs this lease, other than in a representative capacity, as Lessee, shall be jointly and severally liable hereunder.

**"LESSEE"  
INCLUDES  
LESSEES, ETC.**

34. It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this lease, regardless of the number, gender or fact of incorporation of the party who is, or of the parties who are, the actual lessee or lessees under this agreement.

**CAPTIONS**

35. The captions in this lease are for convenience only and do not in any way limit or amplify the provisions of this lease.

**INVALIDITY  
OF PARTICULAR  
PROVISIONS**

36. If any term or provision of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

**NONDISCRIMI-  
NATION —  
SERVICES**

37. (a) Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, sex, age, creed, color, or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby.

(b) It is agreed that Lessee's noncompliance with the provisions of this clause shall constitute a material breach of this lease. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law.

NONDISCRIMI-  
NATION—  
EMPLOYMENT

33 Lessee covenants and agrees that in all matters pertaining to the performance of this lease, Lessee shall at all times conduct its business in a manner which assures fair, equal and nondiscriminatory treatment of all persons without respect to race, sex, age, color, creed or national origin and, in particular:

- (a) Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
- (b) Lessee will comply strictly with all requirements of applicable federal, state and local laws or regulations issued pursuant thereto relating to the establishment of nondiscriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, sex, age, creed, color or national origin.

LABOR UNREST

39 Lessee agrees to join with the Port and use its best efforts in avoiding labor unrest, or in the event of a wild-cat strike or other labor difficulty, to use its good offices in negotiating and bringing to a swift and satisfactory conclusion any kind of labor dispute that may affect the interests of the Port.

EASEMENTS

40. (a) The parties recognize that the Port facilities are continuously being modified to improve the utilities, services and premises used and provided by the Port. The Port, or its agents, shall have the right to enter the premises of Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair and operate the sewer, water, and drainage lines, and the electrical service, and all other services and facilities required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the premises of Lessee, without any additional cost to the Port for the purposes expressed hereinabove. Provided, however, that the Port by virtue of such use, does not substantially deprive Lessee from its beneficial use or occupancy of its leased area for an unreasonable period of time, not to exceed thirty (30) working days, without consent of Lessee.

(b) In the event that the Port permanently deprives Lessee from such beneficial use or occupancy, then an equitable adjustment in rent, or in the cost required to modify its premises to allow the Lessee to operate its business, will be negotiated and paid by the Port to Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse Lessee for the cost required to modify its premises for the temporary period that Lessee is inconvenienced by such Port entry. The Port will not be responsible to Lessee for any reduced efficiency or loss of business occasioned by such entry.

FEDERAL  
MARITIME  
COMMISSION  
REGULATIONS

41. (a) This instrument shall be submitted to the Federal Maritime Commission for determination as to whether it may be subject to the provisions of Section 15 of the Shipping Act, 1916, as amended. In the event that the Commission or its staff shall determine approval of this instrument is required under said Section 15, this instrument shall not become effective until both of the parties hereto have been informed that such approval has been given. No future amendment or modification to this instrument (other than a termination of the entire agreement between the parties by their mutual consent) shall become effective until such amendment or modification has been submitted to and reviewed by the Federal Maritime Commission and its staff in the manner outlined above.

(b) Pending approval by the Federal Maritime Commission, Lessee will be assessed rent pursuant to the Port tariffs. Once Federal Maritime Commission approval is received, Lessee will be obligated to pay the rent thereafter pursuant to the lease. If it is found by the FMC that this lease is not subject to Federal Maritime Commission approval, then and in that event the rent will be assessed retroactively from the first date of occupancy at the rate stated herein, and Lessee will be given credit for the amount of rent he has paid heretofore under the tariff rate.

ENTIRE  
AGREEMENT —  
AMENDMENTS

42. Prior to signing this lease, the parties modified printed paragraphs ~~3, 4, 5, 6, 9, 22, 23, 25 and 27~~ <sup>2, 4, 5, 6, 9, 22, 23, 25 and 27</sup> deleted printed paragraph(s) ~~3, 8, 11, 13, 16, 17~~ <sup>3, 8, 11, 13, 16, 17</sup> added type written paragraph(s) ~~18, 19, 21 & 24~~ <sup>3, 8, 13, 17, 18, 19, 21 and 24</sup> attached Addendum to this lease which is incorporated herein and made a part hereof by this reference, and added attached Exhibits ~~"A"~~ <sup>"A"</sup>. This printed lease together with any attached Addendum incorporated by the preceding sentence and any and all exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modification or amendment of this agreement shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

IN WITNESS WHEREOF the parties hereto have signed this lease as of the day and year first above written.

SIGNATURE  
FOR LESSEE  
IF INCORPOR-  
ATED

ATTEST

By

ASSISTANT SECRETARY  
(CORPORATE SEAL)

SHELL OIL COMPANY

By

J. E. MULKEY  
LESSEE

J. E. MULKEY  
REAL ESTATE MANAGER—WEST  
CORPORATE REAL ESTATE